

REVISED SEQUESTRATION REPORT  
FROM  
THE CONGRESSIONAL BUDGET OFFICE  
FOR  
FISCAL YEAR 1988



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CONGRESSIONAL BUDGET OFFICE  
U.S. CONGRESS  
WASHINGTON, D.C. 20515

November 16, 1987

Honorable James C. Wright, Jr.  
Speaker of the House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

In accordance with the new procedures of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, Public Law 100-119, I herewith submit to the Congress my revised sequestration report for fiscal year 1988.

The purpose of this report is to indicate whether and to what extent, as a result of laws enacted and regulations promulgated since October 10, 1987, the Congressional Budget Office estimates for the budget baseline deficit for 1988 and the required amount of outlay reductions have changed from my initial sequestration report. This report is based on the same economic and technical assumptions, employs the same methodologies, and uses the same definition of the budget baselines and the same criteria and guidelines as those used for my initial sequestration report.

As of the close of business November 13, 1987, our estimate of the baseline deficit for 1988 is \$179.9 billion. This is \$0.6 billion higher than our estimate as of October 10, 1987, as a result of the enactment of Public Law 100-136. This legislation requires that certain veterans housing loans be sold with recourse to the federal government. Under our scoring conventions, the receipts from such sales are not counted as offsetting collections, which raises our baseline outlay estimates for the Veterans Administration.

The increase in our estimate of the baseline deficit does not change the required amount of outlay reductions to be obtained through sequestration, which by law is limited to \$23 billion for 1988. Accordingly, the sequestration calculations required for this revised report, with certain minor exceptions, are identical to those contained in my initial report. These calculations were printed in the *Federal Register* of October 16, 1987 (Vol. 52, No. 200, Part VI, pages 38682-38737) and are submitted again by reference to this earlier report, with certain changes as set forth in Attachment A to this letter.

With best wishes,

Sincerely yours,

  
Edward M. Gramlich  
Acting Director

Enclosure

## ATTACHMENT A

REVISIONS TO THE INITIAL SEQUESTRATION REPORT  
FOR FISCAL YEAR 1988 (In thousands of dollars)

In a few instances, the amounts shown in the appendix to CBO's October 15 report were incorrect. Listed below are the initial and revised sequestration calculations for the affected accounts.

|                                                            | Initial     |           | Revised     |           |
|------------------------------------------------------------|-------------|-----------|-------------|-----------|
|                                                            | Base        | Sequester | Base        | Sequester |
| <u>Department of Agriculture</u>                           |             |           |             |           |
| <u>Agricultural Research Service</u>                       |             |           |             |           |
| <u>Buildings and facilities</u>                            |             |           |             |           |
| (12 1401 01 352)                                           |             |           |             |           |
| Budget authority                                           | 32,510      | 2,829     | 1,042       | 91        |
| <u>Cooperative State Research Service</u>                  |             |           |             |           |
| <u>Cooperative State Research Service</u>                  |             |           |             |           |
| (12 1500 01 352)                                           |             |           |             |           |
| Budget authority                                           | 317,200     | 27,597    | 392,034     | 34,107    |
| 401 (c) authority                                          | 9,170       | 798       | 0           | 0         |
| Outlays                                                    | 177,514     | 15,444    | 214,848     | 18,692    |
| <u>Agricultural Stabilization and Conservation Service</u> |             |           |             |           |
| <u>Conservation reserve program</u>                        |             |           |             |           |
| (12 3319 01 302)                                           |             |           |             |           |
| Budget authority and outlays                               | 560,700     | 48,781    | 584,250     | 50,830    |
| <u>Department of the Interior</u>                          |             |           |             |           |
| <u>Bureau of Reclamation</u>                               |             |           |             |           |
| <u>Working capital fund</u>                                |             |           |             |           |
| (14 4524 04 301)                                           |             |           |             |           |
| Budget authority                                           | 6,400       | 557       | 6,669       | 580       |
| Outlays                                                    | 4,480       | 390       | 4,668       | 406       |
| <u>National Park Service</u>                               |             |           |             |           |
| <u>Operation of the national park system</u>               |             |           |             |           |
| (14 1036 01 303)                                           |             |           |             |           |
| Budget authority                                           | 758,567     | 65,995    | 749,559     | 65,212    |
| <u>Office of Territorial Affairs</u>                       |             |           |             |           |
| <u>Administration of territories</u>                       |             |           |             |           |
| (14 0412 01 806)                                           |             |           |             |           |
| Budget authority                                           | 81,637      | 7,102     | 44,782      | 3,896     |
| <u>Department of Labor</u>                                 |             |           |             |           |
| <u>Employment and Training Administration</u>              |             |           |             |           |
| <u>Unemployment trust fund (training and employment)</u>   |             |           |             |           |
| (20 8042 07 504)                                           |             |           |             |           |
| Obligation limitation                                      | 361,157     | 31,421    | 630,535     | 54,857    |
| <u>Department of Housing and Urban Development</u>         |             |           |             |           |
| <u>Housing Programs</u>                                    |             |           |             |           |
| <u>Nonprofit sponsor assistance</u>                        |             |           |             |           |
| (86 4042 03 604)                                           |             |           |             |           |
| Direct loan limitation                                     | 1,000       | 87        | 1,042       | 91        |
| <u>Federal Housing Administration fund</u>                 |             |           |             |           |
| (86 4070 03 371)                                           |             |           |             |           |
| Direct loan limitation                                     | 73,800      | 6,421     | 76,900      | 6,690     |
| Guaranteed loan limitation                                 | 100,000,000 | 8,700,000 | 104,200,000 | 9,065,400 |
| Obligation limitation                                      | 306,962     | 26,706    | 334,555     | 29,106    |

Attachment A  
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|                                                                   | Initial     |            | Revised     |            |
|-------------------------------------------------------------------|-------------|------------|-------------|------------|
|                                                                   | Base        | Sequester  | Base        | Sequester  |
| Housing for the elderly or handicapped fund<br>(86 4115 03 371)   |             |            |             |            |
| Budget authority                                                  | 3,907       | 340        | 4,071       | 354        |
| Direct loan limitation                                            | 621,700     | 54,088     | 617,553     | 53,727     |
| <u>Government National Mortgage Association</u>                   |             |            |             |            |
| Guarantees of mortgage-backed securities<br>(86 4238 03 371)      |             |            |             |            |
| Guaranteed loan limitation                                        | 150,000,000 | 13,050,000 | 156,300,000 | 13,598,100 |
| <u>Department of Transportation</u>                               |             |            |             |            |
| <u>Coast Guard</u>                                                |             |            |             |            |
| Offshore oil pollution compensation fund<br>(69 5167 02 304)      |             |            |             |            |
| Obligation limitation                                             | 60,000      | 5,220      | 62,520      | 5,439      |
| Deepwater port liability fund<br>(69 5170 02 304)                 |             |            |             |            |
| Obligation limitation                                             | 50,000      | 4,350      | 52,100      | 4,533      |
| <u>Independent Agencies</u>                                       |             |            |             |            |
| <u>Environmental Protection Agency</u>                            |             |            |             |            |
| Advances to the hazardous substance superfund<br>(68 0250 01 304) |             |            |             |            |
| Budget authority                                                  | 0           | 0          | 167,000     | 14,529     |
| <u>Veterans Administration</u>                                    |             |            |             |            |
| Direct loan revolving fund<br>(36 4024 03 704)                    |             |            |             |            |
| Direct loan limitation                                            | 1,000       | 87         | 1,042       | 91         |
| Loan guarantee revolving fund<br>(36 4025 03 704)                 |             |            |             |            |
| Guaranteed loan limitation                                        | 31,622,000  | 2,751,114  | 32,700,000  | 2,844,900  |